

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | PHILIP Y. BROWN, ESQ. | JOHN B. LANGAN | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY

MEMORANDUM

TO: Newburyport Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: November 3, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

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Newburyport Retirement System
January 1, 2014 Actuarial Valuation

Total Appropriation 4.0% increasing until FY32

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort. of</u> <u>UAL</u>	<u>Amort. of</u> <u>2002 ERI</u>	<u>Amort. of</u> <u>2003 ERI</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>Increase from</u> <u>Prior Year</u>
2015	1,101,447	30,000	2,717,065	173,598	75,855	4,097,964	39,522,837	
2016	1,151,012	30,000	2,831,418	173,598	75,855	4,261,883	39,389,435	4.00%
2017	1,202,808	30,000	2,950,098	173,598	75,855	4,432,358	39,122,478	4.00%
2018	1,256,934	30,000	3,073,266	173,598	75,855	4,609,652	38,706,955	4.00%
2019	1,313,496	30,000	3,201,090	173,598	75,855	4,794,038	38,126,515	4.00%
2020	1,372,604	30,000	3,507,342		75,855	4,985,800	37,363,361	4.00%
2021	1,434,371	30,000	3,720,861			5,185,232	36,398,128	4.00%
2022	1,498,917	30,000	3,863,724			5,392,641	35,209,755	4.00%
2023	1,566,369	30,000	4,011,978			5,608,347	33,775,349	4.00%
2024	1,636,855	30,000	4,165,825			5,832,681	32,070,032	4.00%
2025	1,710,514	30,000	4,325,474			6,065,988	30,066,783	4.00%
2026	1,787,487	30,000	4,491,140			6,308,627	27,736,260	4.00%
2027	1,867,924	30,000	4,663,049			6,560,972	25,046,617	4.00%
2028	1,951,980	30,000	4,841,431			6,823,411	21,963,294	4.00%
2029	2,039,819	30,000	5,026,528			7,096,348	18,448,808	4.00%
2030	2,131,611	30,000	5,218,590			7,380,202	14,462,506	4.00%
2031	2,227,534	30,000	5,417,876			7,675,410	9,960,320	4.00%
2032	2,327,773	30,000	4,894,483			7,252,256	4,894,483	-5.51%
2033	2,432,523	30,000				2,462,523	0	-66.04%

Appropriation payments assumed to be made July 1.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$275,000.

FY15 amount maintained at level of prior funding schedule (adjusted for July 1 payment date).

Total appropriation increases 4.0% per year to FY31 with a final amortization payment in FY32.